

COMMUNITY DEVELOPMENT DEPARTMENT

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PLANNING COMMISSION MEETING MINUTES

REGULAR MEETING

MARCH 11, 2003

PRESENT: Acevedo, Benich, Engles, Lyle, Mueller, Weston

ABSENT: Escobar

LATE: None

STAFF: Planning Manager (PM) Rowe, Associate Planner (AP) Tolentino, Senior

Engineer (SE) Creer, Housing Program Coordinator (HPC) Balderas and

Minutes Clerk Johnson

WORKSHOP:

Commissioners, Staff, and several developers gathered for the 5:00 p.m. workshop to discuss the identified global issues contained in the Measure P applications of this allocation cycle.

Note: A brief discussion occurred for the purpose of determining those projects, which may cause any of the Commissioners to be excused from discussion-participation. This primarily occurred because of the distance of a Commissioner's primary dwelling to one or more of the proposed units under debate.

PM Rowe gave an overview of the application and scoring processes, indicating that there were a total of 23 applications (760 building projects) which had been submitted for this competition. PM Rowe explained that each of the applications has been reviewed for zoning and General Plan appropriateness. He continued by providing information that the allocations (164) were based on the Department of Finance estimates of January 1, 2002. Because of the numbers of applications, PM Rowe said, the comment period for the 23 applications would be split between tonight's meeting and that of March 18.

PM Rowe reminded that the allotments under discussion currently are for fiscal year 2004-05 with the allotment categories as follows:

Partially Completed Projects	(5%)	6
Affordable Competition	(20%)	32 units [20 previously allocated]
Mirco Competition	(4%)	6 units [2 previously allocated]
Open/Market Competition	<u>(75%)</u>	120 units [8 previously allocated]
	100%	164

PM Rowe reminded that the open/market competitions are the allocations being discussed during the current meetings. He also explained that Measure P requires a geographical balance of the housing units with the distribution required in this phase of:

- 51 West of Monterey Road
- 25 East of Monterey Road
- 82 East or West of Monterey Road

It is anticipated, PM Rowe said, that the final awards of allotments would be made at the first meeting of the Commission in May, 2003.

Methodology of scoring: Attention was then directed to the 'scoring sheets' wherein the evaluation categories had been designated in the preliminary scoring. PM Rowe reminded all present of the procedures established during previous years' allocation processes, which the Commissioners concluded to be a good pattern for continuation of the hearings this year.

Policy issues: PM Rowe then called attention to the criteria and scoring processes for the allocations applications. (Commissioners who had been members of the Measure P recommendation sub-committee also gave input into the topic under discussion.) "Tables three and four are of particular importance," PM Rowe stated, "because this is where differences in numbers may occur for one of two reasons: A) Department of Finance estimates produced January 1, 2003 may cause a revision of the data; B) should any portion of the Micro Project category allotment not be utilized the Planning Commission could consider transfer of the unused allotment into any of the other allotment categories."

GLOBAL ISSUES:

<u>Definition for small projects</u> (7 - 15 units): Using MP-02-17 as an example, PM Rowe pointed out that the development shows 17 lots; however, only 13 allocations are needed for the project as submitted. He also called attention MP-02-20 AND MP-02-09 as needing attention for decision. Commissioners indicated they plan to expand discussion of the matter and make decisions at the beginning of the regular meeting regarding small projects.

<u>Reimbursement agreements</u> (Public facilities <u>and</u> circulation categories): this year the inclusion of a certified engineer to provide estimates for off-site improvements has been made a requirement. It was noted that some developers include improvements (off-site) for which the developers can receive reimbursement for their up-front costs, such as roadway completion, side walk installation, and others.

SE Creer said the issue had come to the forefront, as there were noted differences in the on-going and new or phased projects now being applied in which applicants were attempting to 'pull' credits from installations as old as six years. He said there is a constant struggle for a 'level playing field' dealing with the improvement installations; what should be included for circulation as part of an on-going, new, or phased project. SE Creer engaged in discussion with Commissions whereby it was felt that the matter must be revisited during the periods of dialogue for recommendation for future

competitions. Commissioner Lyle remarked that a related issue would be credit (to the developers) for contingencies.

Scott Schilling, 16060 Caputo Dr. #160, spoke to Commissioners, saying he feels he and the other developers are being hit 'two times' with impact fees, asking SE Creer for comment.

SE Creer said that a developer makes a commitment to extend a street, that may become an out-of-pocket expense. Under the present terms, if the improvement is part of traffic mitigation, no reimbursement agreement is required. In both instances, he pointed out, the developer can get the same number of points.

Mr. Schilling said this is a very complicated issue, noting he pays 'lots of fees' [developer fees: park, police, traffic/arterials, signalization] as well as sewer and water on each home. He stated that the fees have recently doubled and that now the required fees total about \$20,000 - \$21,000 per home.

However, Mr. Schilling indicated that this evening his emphasis is the reimbursement agreement. He provided an illustration of a 10 acre parcel, where the developer planned ahead, installing sewer, a storm drain line with a catch basin, sidewalks, streets, and has the water line gridded. In the past, Mr. Schilling stated, as the developer, he could anticipate reimbursement for those items when other parcels within the ten acres were sold or receive a deferred agreement, causing other developers to meet the requirement(s) which would be current at the time of development. Now under the reimbursement agreement, he would have to pay up front (cash) for the improvements, but receive no points for any off-site improvements not directly affecting the parcel he is dealing with. Mr. Schilling said, "If the Commissioners decide that there is no credit (points) this year, but go strictly with the reimbursement agreement, and if the developer installs the improvements, the installation will remain a cost to the developer." Mr. Schilling went on to say he believes the policy will inadvertently add substantial costs to homes in the City. He also noted that there is a huge advantage to the City to have the developer install offsite improvements such as complete (and stub) streets since the cost would be less today than if the City has to go in and complete those installations at a future time.

Commissioners asked questions and raised discussion of the following issues:

- underground utilities [generally limited to sewer and water]
- monetary values of reimbursement [today's or future dollars]

SE Creer said that once the value of the reimbursement is established, it is locked in, staying at today's dollars, which could provide a huge windfall for the City)

Mr. Schilling indicated that impact fees to the developers are 'in a similar situation', providing an example of signalization requirements. He told Commissioners he wants credit as has occurred in the past. Now, Mr. Schilling said, each developer must contribute \$6.00 per unit, so if the developer selects items in the agreement, they can say 'credit me back my up-front costs'; he suggested that an alternative would be to lower the impact fees. Commissioner Lyle questioned the \$6.00 fee, noting it seems low.

Further escalating the problem, Mr. Schilling told Commissioners, is the lack of an established criterion of what is included in the Engineering estimate for offsite

improvements. Others in the audience agreed, saying that most of the engineers (and predominately they all utilize one engineering firm), simply add a 10% estimated contingency fee for the reimbursement agreement.

SE Creer said it is difficult to separate the issues. "We've tried to be fair and consistent," he said, "and have scored the applications two or three times in trying to achieve that." SE Creer noted that 'scorers bent over backward to give points fairly'.

Commissioners acknowledged the following issues during discussion:

- there is benefit to the City under the reimbursement agreement
- this method of reimbursement may be part of a 'cost of doing business'
- the issue is all about the 'affordability of housing'; because the impact fees just went up, future homeowners may be being penalized due to the upfront costs required of developers
- a concern that an imbalance of the quandary had inadvertently been put into place this year
- the need for consistency and clear approach to the issue being given to developers at the time of initial application
- whether the objective could be accomplished by formation of an assessment district [has not been successful establishment of a Citywide assessment district]
- the need to have all applicants seek maximization use of parcels by Master Plan designations

Commissioner Lyle articulated a sub-list of the issues:

- the potential of giving credit (points) [same as last year] unless the developer knows there is 'a real good shot at obtaining the reimbursement'
- uncertainty of the possibility of counting contingency on the engineering estimate [developers may not receive credit for some things; they may not spend all contingency allowed for]
- the issue of 'score rounding'

Commissioners agreed that the issues were extremely complicated and that the issue must be refined in subcommittee for the next (future years) competition. Staff was directed to review the scoring for the projects this year with the following guidelines:

- no contingency cost
- no rounding
- include the reimbursement agreement this year with the exception of certain monetary recovery (within one year)

Scoring for <u>Schools</u> category: the disparity in dates publicized for having agreements in place with the Morgan Hill Unified School District were noted. Following discussion, it was established that if all the requirements of Measure P (pathways, etc) were in place, the later date for obtaining the agreement with the agreement was acceptable. The puzzlement had arisen from a date-received letter in the packets versus a delivery to the Planning Department.

<u>Housing needs/housing types</u>: conflict in two sections regarding rounding in the scoring was noted by Commissioner Lyle, who said this has been a continuing issue.

Rocke Garcia, 100 E. 3rd, said that developers are required to commit to 10% BMRs, and asked for clarification regarding rounding of those units.

Commissioners Mueller and Weston said that rounding up is from (example:) 4.5 to 5; rounding down is 4.9 4.4 to 4.

Vince Burgos, 352 So. Eagle's Nest Ln., Blackhawk, said he had specifically asked about the matter, as it appeared unclear, and was told by staff to round.

PM Rowe said the policy has not been changed.

HPC Balderas, the City's Housing Services Department scorer, said that historically Measure P makes provision for variation of a 10% partition makes no provision for rounding a 10% requirement. However, she said that Measure P failed to address the issue in dealing with moderate level housing. Ms. Balderas explained that rounding has been permitted, even though there is no mitigation fee set up.

PM Rowe said that the 10% issue deal with the type of housing units and that must be single-family attached, with single-story specifications to maximize the points. Another issue is the income diversity, stressing this is not a housing type, but concentrating on affordability, which is part of a requirement that a project have more units to meet the absolute percentage. HPC Balderas said that the rounding by staff had been in agreement with the explanation by Commissioners Weston and Mueller.

Following considerable discussion of the rounding issue, Commissioners – by straw vote – decided that rounding is acceptable in HN 1b, but needs definitive clarification for next year. It was also agreed that percentage for the moderate units in HN 1b would be calculated as an absolute figure, and the percent value would then be rounded.

Commissioner Weston expressed concern that the meeting notes of the subcommittee may need to be formalized for presentation to developers. Commissioner Weston continued that the meeting was not taped, indicating this may assist in better and clearer information for the developers. PM Rowe pointed out that all the notes are retained and given to developers in the primary packets.

Returning to the <u>reimbursement agreements</u>, PM Rowe and SE Creer said that items for inclusion into the engineering estimate have never been articulated. The 10% contingency will remain in the scoring process this year; however, the subcommittee will review the issue for the next round of applications.

Commissioner Lyle commented that street stubs are present in several applications, and that the resultant points may be skewed due to out-of-the ordinary boundary locations.

SE Creer remarked that there is a high level of creativity this year in attempts to garner points for street standards, circulation, and related items. He cited specific applications which have been reviewed, such as extending street stubs onto adjoining properties, then a seemingly random inclusion of other street stubs.

Reminding that the small projects issue will be decided in the Planning Commission meeting, Chair Acevedo concluded the workshop at 6:35 p.m.

REGULAR MEETING

Chair Acevedo called the meeting to order at 7:04 p.m.

DECLARATION OF POSTING OF AGENDA

Minutes Clerk Johnson certified that the meeting's agenda was duly noticed and posted in accordance with Government Code Section 54954.2.

OPPORTUNITY FOR PUBLIC COMMENT

Chair Acevedo opened the public hearing.

With no one present wishing to address matters not appearing on the agenda, the public hearing was closed.

NEW BUSINESS:

1) UPA-92-04: MONTEREY-DIVITTORIO A request to amend the use permit for the Maple Leaf RV Park to establish an internet Recreational Vehicle Dealership at the Maple Leaf RV Park. The site is located at 15200 Monterey Rd. in the Residential Estate zoning district.

PM Rowe explained that this would be an amendment to the existing use permit which established the Park, to allow internet sales of RV trailers from the manager's office at the park site. The trailers will be marketed by placing pictures of the models on the website. The applicant wants to use three existing spaces to store and occasionally show RV models. Sales paperwork will be completed at the RV Park office, with the trailers being delivered to purchaser's homes and the only inventory the three models. The applicant, PM Rowe said, hopes to sell about four RV trailers per month. The primary use of the site will be retained, with the RV sales being an ancillary use. This use could be allowed as a home occupation business, except for the storage of the models. Findings and conditions for approval were provided the Commissioners.

During discussion with staff, Commissioners raised the following concerns:

- retention of sales tax for the City
- assurance of contracts being completed in person
- pledge of drop ship <u>only</u> operation (no inventory on site except for the three spaces indicated)
- General Plan discouragement of commercial use south of Watsonville Road
- the request is for ancillary use; not permanently in place

Chair Acevedo opened the public hearing.

Jim DiVittorio, 15200 Monterey Rd, the applicant, spoke to the Commissioners, explaining that he is aware of the concerns. He assured that the site will not turn into an RV sales. The three models (to be obtained from the manufacturer in Indiana) would be kept in the park for inspection only, and not used as rentals; prospective buyers would deal directly with the manufacturer. Mr. DiVittorio explained that the manufacturer has this type of arrangement with dealers and park owners in other areas of the nation. He

also stated that neither repairs nor warranty work would occur at the park. Commissioners talked with Mr. DiVittorio about their concerns of having existing residents in the Park sell trailers in a 'store front' arrangement at the Park. Mr. DiVittorio said this is an undesirable practice and not allowed at the site.

With no others present indicating a wish to address the matter, the public hearing was closed.

Commissioner Mueller said the point of sale must be Morgan Hill. "In the event they come up with a way to close a sale with an electronic signature, still the point of sale must be Morgan Hill." Other Commissioners agreed.

Commissioner Weston expressed concern that the Commission has conditioned other local business owners for specific items in a use permit, and this seems to circumvent that intent.

Commissioner Mueller said this is not a different request from existing conditions, such as buying a car over the web. He reiterated discussion from previous meetings that a use permit cannot be denied based on potential economic affects to existing local business.

Commissioners continued discussion, asking staff for clarification regarding specific items in the proposed resolution. Of special concern was the monitoring of the business. PM Rowe reminded that all use permits are to be reviewed after one year of operation, but can be conditioned otherwise if the Commissioners desire.

COMMISSIONERS MUELLER/BENICH OFFERED RESOLUTION NO. 03-14, APPROVING AN AMENDMENT TO AN EXISTING USE PERMIT TO ALLOW THE INTERNET SALES OF RECREATIONAL VEHICLE TRAILERS FROM THE EXISTING OFFICE OF THE MAPLE LEAF RV PARK AND TO USE THREE EXISTING ONSITE RV SPACES AS STORAGE FOR MODELS, WITH THE FOLLOWING AMENDMENTS TO ITEM 4 OF THE RESOLUTION:

- D THE FIRST ANNUAL REVIEW WILL BE CONDUCTED AT THE PLANNING COMMISSION LEVEL
- F SALES OF USED RVs ARE PROHIBITED AT THE SITE
- G THE CITY OF MORGAN HILL WILL BE THE POINT OF SALE FOR ALL TAX PURPOSES
- J ANNUAL SALES DEMOGRAPHICS WILL BE REQUIRED THE MOTION PASSED WITH THE UNANIMOUS VOTE OF ALL PRESENT; ESCOBAR WAS ABSENT.

Discussion regarding the <u>small projects</u> one of the global issues from the workshop was resumed at 7:40 p.m. Reiteration of the cause of Commissioners to be excused from discussion-participation due to of the distance of a primary dwelling to a proposed project resulted in Chair Acevedo excusing himself at 7:42 p.m., whereupon Vice Chair Mueller assumed the gavel.

PM Rowe told Commissioners that by definition a small project is any development between seven and 15 dwelling units on a site where that number of units represents the ultimate build-out of the property. He repeated the projects which required direction of

the Commissioners:

MP-02-17 the overall Master Plan shows a total of 17 lots at build out. Four of the lots contain existing residences, so the total number of new dwellings would be 13; request is for 9 allocations [staff recommends inclusion into the small projects category]

MP-02-20 request is for 15 units. There is an existing residence, so the total number of units is 16*. Like MP-02-20, MP-02-09 has 17 lots (15 allocations plus two existing units*). *[staff recommends against inclusion into the small projects category] because the four existing lots are not owned by the developer.

Vice-Chair Mueller opened the public hearing.

Bill McClintock, PO Box 1029, said there is 'lots of precedence *against* what staff is recommending. He indicated that new interpretations regarding the matter of small projects have been implemented by staff for the competition this year. Mr. McClintock urged Commissioners to leave the policy as in prior years, making changes if necessary for next time, and announcing any changes in advance. He cited two projects which he said clearly showed that the policy had changed, with a loss of points this time. Mr. McClintock said that the project to which he referred (O'Connell on Hill Rd. and DelMonte Estates) had both been submitted and accepted as small projects in the past. He went on to explain the proposed uses of the existing dwellings and why the numbers of allocations had been requested in the applications.

With no others present to speak to the issue, the public hearing was closed.

Following discussion, Commissioners concluded that MP-02-09 was <u>not</u> a small project, but left MP-02-17 and MP-02-20 (with Mr. McClintock saying MP-02-20 would be happy with 14 allocations) in the small projects category.

Commissioner Lyle commented that there needs to be consideration of how to deal with replacement units, BMRs improvements and fees in post competition discussion.

Chair Acevedo resumed his seat at the dias at 7:58 p.m.

Chair Acevedo asked PM Rowe to introduce the staff present who had worked on the applications. PM Rowe complied by presenting HPC Balderas, AP Tolentino, and Deputy Fire Marshal, Wayne Hokanson, of Santa Clara Fire Department. He thanked them for the time spent (this project has been in progress since November, 2002 through February, 2003) and acknowledged others who could not be present at the meeting.

Chair Acevedo gave an overview of the conduct of the proceedings for hearing the applications. He announced that Measure P applications MP-02-05 and MP-02-10 were being moved to the end of this evening's agenda due to a property location he had and he would be excused for those two matters. Chair Acevedo also reminded that in the Quality of Construction category, one point has been reserved for the Commissioners to award as warranted.

Several persons in the audience indicated they wished to make 'general statements' regarding the Measure P process. Chair Acevedo welcomed to the podium:

Jenny Dellanway, 442 Calle Verde

Stu Nuttall, 630 San Pedro Ave. David Detmer

These citizens spoke on the 'open space' feeling that attracted them to Morgan Hill, urging Commissioners to use caution in the placement of housing so that the charm of the City may be maintained. Expressing concerns that the 'quaintness' of the City may be lost, the speakers asked Commissioners to 'slow down' a bit, give consideration to the needs of current needs in the City for open space, parks, sidewalks, and other amenities, including public safety. A wish for more, larger parks instead of small, isolated parks was expressed. The perceived heightening of housing density, coupled with the ever-escalating prices of homes.

PM Rowe took the opportunity to explain that the 23 builders who submitted applications are competing for a limited number of allocations. The awards will consist of 112 units for FY 2004-05 and 110 for the next year. Thus, the total will be 220 222 units City-wide, not the 760 total that reflect the number of applications.

2) RDCS COMPETITION

Applicants for the following proposed residential Developments requested a building allotment under the City's Residential Development Control System pursuant to Chapter 18.78 of the Morgan Hill Municipal Code. (Included in the staff report of each will be indications of any adjustment(s) to scoring following review by staff, prior to this meeting.)

a. MP-02-03: TILTON-GLENROCK BUILDERS/SHEA HOMES: A request for Residential Development Control System (Measure P) building allocations for Fiscal Year 2004-2005. The project consists of 30 single family residential dwellings on a portion of a 54.95 acre site on the south side of Tilton Avenue between Monterey Road and Hale Avenue. The total project at build out will consist of 208 dwelling units.

Staff: One point added to the *Natural and Environmental* category for a total of 15 points, and one point added to the Quality of Construction category, for a total of 14 points.

Chair Acevedo opened the public hearing.

Rocke Garcia, 100 E. 3rd, said it all boils down to consistency; he had received points in categories previously and wanted them again. He reiterated he had complied with all the demands the Planning Commission had put into place previously and wanted the points again. He asked for more points in the <u>orderly and contiguous</u>, <u>open space</u>, and lot layout categories, explaining the reason for each request.

Commissioner Lyle asked if he had received building permit approval for the pad for the carriage house(s)? Mr. Garcia said this was the case. It was clarified that the full permits had not been pulled.

With no others to speak to the matter, the public hearing was closed.

Following discussion of the street design, placement of street stubs, and building height variations for the R-2 designated areas, Commissioners directed staff to review the noted items in the Lot Layout category and report back at the March 25 meeting.

Further discussion ensued regarding open space requirements, with discussion centered on the placement of notation and availability to historical monuments. Commissioner Mueller said he was concerned that if points were not given for historical items, commitment to such dedication would falter. Commissioner Lyle pointed out that the item had two full points, a portion of which could be awarded. It was the consensus of the Commission to award the project a ½ a point for providing an historical plaque on site.

b. MP-02-04: CENTRAL-PROSPERITY/DELCO: A request for Measure P building allocations for Fiscal Year 2004-05. The project consists of 28 single family attached dwelling units on 3.7 acres on the south west corner of East Central Avenue and Calle Mazatan.

Staff: <u>Three points</u> added for open space, noting the frontage detail along Butterfield, and one point added to the Quality of Construction category.

Chair Acevedo opened the public hearing.

Phil Rowe, no address provided, asked that the item be postponed until the applicant who was call to a business matter can be present.

Verifying that no others were present to address the matter, Chair Acevedo declared the item continued to later in the evening.

d. MP-02-06: E. DUNNE-DEMPSEY: A request for Measure P building allocations for Fiscal Year 2004-05. The project consists of 80 single family attached dwelling units on 9.5 acres on south side of East Dunne Avenue, west of San Benancio Way.

Staff: No adjustments were proposed.

Chair Acevedo opened the public hearing.

Keith Weichert, 420 E. Dunne Ave., spoke with the Commissioners, noting he is the applicant. He stated that the schools category has been underscored, professing that he has pledged to provide both sidewalks for safe walking and a bus stop. Both of these items should give him 1.5 additional points.

Stating that he knew the 1-point for <u>quality of construction</u> is for Commissioners to bestow, Mr. Weichert stated that he received a superior score from staff in the preliminary scoring and asked that Commissioners keep that in mind. Noting that he had not been given the requested number of points in <u>natural and environmental</u>, Mr. Weichert said that the project is designed so that 'no significant trees are interfered with'.

Responding to a question, Vince Burgos addressed the issue of the covering of the bus stop. He noted that a letter of agreement had been received from Valley Transit Authority (VTA); while the letter does not speak to the matter of covering - or not – the bus stop, the applicant has indicated a willingness to ensure it will occur. Mr. Burgos further indicated that the letter from VTA stated that the bus stop must be 'built to VTA

standards'

Regarding the public facilities category, Bill McClintock, project engineer, spoke on the water-to-pond-method for mitigation of runoff, explaining this is not a standard method, but a concept that works. He said it will benefit the City by providing the capability of selling drainage capacity in Butterfield Creek. Mr. McClintock pointed out that that this is one of the applications where the cost estimates for the <u>Circulation Efficiency</u> category points to better treatment through the use of dollar credits versus the points. PM Rowe responded that based on findings in the workshop earlier in the evening, staff will come to the meeting of March 25 with proposals for adjustments, including those of rounding differences.

With no others to address the matter, the public hearing was closed.

Commissioner Mueller asked questions regarding the capacity of the retention pond. SE Creer said this is another example of extreme creativity, observing that the City is not selling capacity in Butterfield Creek at this time. He further stated that the retention ponds of the area had little water in them, but because of build-up in the surrounding areas, will most probable have retention in the future.

Commissioner Mueller continued that the application indicates a 'choking down' so there will be less water being let to the downstream. SE Creer stressed that Butterfield is an area of retention detention – not detention retention – and there is little flow downstream to Butterfield.

Commissioner Lyle asked staff for comment on the safe walking route to schools.

SE Creer explained that the issue came up a year ago in the discussion as to whether Tilton, designated as a local street, is actually functioning as a collector. San Pedro is indicated to be a collector street in the General Plan.

Commissioner Lyle said he would be in favor of adding one point to the <u>schools</u> <u>category</u>, while deleting one point for <u>public facilities</u>.

Regarding the trees issue, PM Rowe said the applicant did not provide information on the types of trees intended for saving or removal.

e. <u>MP-02-07: CORY-SAN PEDRO PARTNERS</u>: A request for Measure P building allocations for Fiscal Year 2004-05. The project consists of 32 single family attached dwelling units on 3.73 acres on a westerly extension of San Juan Drive, west of Cory Drive.

Staff: Add 1 point for <u>orderly and contiguous</u>, deduct 1 point for <u>public facilities</u>, and add 1 point to the <u>schools</u> category.

Chair Acevedo opened the public hearing.

Joe DiConza, 17310 Hendry Dr., presented corrections to his application, replacing the final page of the letter.

Mr. DiConza explained the reasons for the increase in each of the categories he is requesting: schools, housing types (staff will review the rounding practices), lot layout (staff will review), open space [he spoke in depth on the pathway and the parallel relationship of same to the sidewalk], open space [the applicant disputed the loss of a point because 75% the front doors were not visible from the public right-of-way].

Considerable discussion ensued regarding the pathway/sidewalk issues, with Commissioners expressing strong feelings about keeping both or eliminating one or the other.

With no others to speak to the matter, the public hearing was closed. It was the consensus of the Commission that the applicant should receive one point under B1c of the Open Space category for the interior paths.

f. MP-02-08: CENTRAL-HU: A request for Measure P building allocations for Fiscal Year 2004-05. The project consists of 38 single family attached dwelling units on 4.99 acres on the north side of East Central Avenue opposite Calle Mazatan.

Staff: No scoring adjustments recommended

Chair Acevedo opened the public hearing.

Applicant Michael Hu, 6485 Hirabayashi Dr., San Jose, was present to address the Commissioners, emphasizing he has owned the property for 11 years, that it is near school and he is proposing a bike path for use to the school. He asked that the points be reconsidered, as he said more were warranted in some areas.

Vince Burgos, project manager, said this project has added units to meet density requirements. Questioning that no points for path access to outside the project, he pointed out that the proposed path is the shortest route possible. Consequently, he said, points should be increased in the <u>circulation</u> category.

PM Rowe explained the requirements of <u>open space</u>, noting that the sidewalk-to-sidewalk connection exists only within the project.

Commissioner Engles asked about the points awarded for the 'tot lot'. Mr. Burgos responded that four points are available under the City rules for total amenities. He further commented that the HOA would be responsible for maintenance of the amenities.

Commissioner Lyle said that at this time, Central Ave. is not functioning as a collector, and therefore the application qualified for an extra ½ point in the schools category.

Commissioner Mueller commented that this project would connect to Butterfield Ave, thus changing the dynamics of circulation in the area. He continued by stating that a 'big opportunity' had been missed in planning a connection of sidewalk by not providing a connection to the Central/Warmington project's open space path.

With no others to address the matter, the public hearing was closed.

Staff was directed to closely review the <u>open space</u> category, as the Commissioners leaned toward awarding 1 point for this category.

g. MP-02-09: TILTON-BARNICK: A request for Measure P building allocations for Fiscal Year 2004-05. The project consists of 17 single family dwelling units on 5.68 acres on north side of Tilton Avenue immediately west of the Union Pacific rail line.

Chair Acevedo opened the public hearing.

With no others to address the matter, the public hearing was closed.

Following statement of recommendation by staff, Commissioners Mueller/Acevedo moved to continue this item to March 18, 2003. The motion passed with the unanimous vote of all Commissioners present; Escobar was absent.

b. MP-02-04: CENTRAL-PROSPERITY/DELCO: A request for Measure P building allocations for Fiscal Year 2004-05. The project consists of 28 single family attached dwelling units on 3.7 acres on the south west corner of East Central Avenue and Calle Mazatan was revisited at this time.

Phil Rowe referenced a letter to Commissioners regarding items 2 - 10 - 11 in the application. He said that regarding item 10, there must have been an oversight in scoring, as the standard had been met. Mr. Rowe cited a letter from VTA regarding installation of the bus stop (item 11). He went on to say that the original developer had provided the right-of-way to the Butterfield Channel that the City wanted, and that an area on an adjoining project was being used for water retention.

Commissioner Engles was excused at 10:05 p.m.

SE Creer pointed out that phase 1 of this project was a 'stand alone' and that points given for amenities in that project could not be carried to this one for points.

Commissioner Engles returned to his seat at 10:09 p.m.

Mr. Rowe continued that the application showed intent of completion of on-going projects.

With no others expressing a wish to speak to the matter, the public hearing was closed.

Commissioner Lyle said that 3 points could be added for <u>open space</u> and 2 for circulation (1 point for the pathway and 1 for the bus stop).

Commissioner Mueller cautioned that a 'close look' should be given to the location of bus stops, ensuring that those being installed are not too close to each other.

By consensus, the Commission agreed that MP-02-04 is clearly viewed as a separate, not an on-going project.

i. MP-02-11: BARRETT-SYNCON HOMES: A request for Measure P building

allocations for Fiscal Year 2004-05. The project consists of 69 single family dwelling units on 12.35 acres on the north side of Barrett Avenue, west of San Ramon Drive.

Staff: Scoring adjustment add 1 point in the open space category for a total of 19 points

Chair Acevedo opened the public hearing.

Brian Hanley, 1380 Lead Hill Blvd., #201, the applicant, spoke with the Commissioners, first indicating that the <u>schools</u> category had been incorrectly scored, as there was no crossing at the railroad tracks and that Juan Hernandez is not a collector street. Further, in the <u>lot layout</u> category, he said that he has changed the BMR designation and previously received 2 points for that change, requesting it again.

Vince Burgos addressed the <u>circulation</u> issues saying that in circulation efficiency, the developer is providing a stub street on the south side of Barrett. He pointed out that the Warmington project provides a one-half street and the developer has agreed to finish the other half, as well as continuing with the placement of the stub street.

Mr. Burgos continued that regarding the BMR and moderate rate units, locations could be changed for better balance.

Commissioner Lyle questioned differences in the R1 and R2 areas of the plan. Mr. Burgos explained the plans the developer hopes to achieve.

Chair Acevedo asked about the timeline for completion of Butterfield? SE Creer said that there is to be a bid opening in two weeks, with project completion expected by fall of this year.

Commissioner Lyle said that another ½ point should be added to schools, as Juan Hernandez is not functioning as a collector road. He also commented that regarding the open space

buffer, there is a maximum of two points allowed [noting that amount had been awarded] and wondered whether, in view of the very narrow buffer space, this is prudent?

PM Rowe explained that the points are given on the percentage of buffer space touching the frontage, saying this project offers the 'lowest percentage in comparison to other projects' and suggestion that one point may be more in line.

Other Commissioners joined the discussion regarding the buffers issue, with a 'straw vote' being taken regarding the points awarded. Result of the informal vote:

2 points: Commissioners Weston, Engles, Acevedo

1 point: Commissioners Mueller, Lyle, Benich

With no others to address the matter, the public hearing was closed.

Commissioner Lyle spoke on the location of the stub street, saying this is an extreme example of placement to garner points. He noticed that the stub street actually encroaches onto neighboring property.

SE Creer said that while not within the project's boundaries, the stub street has the potential to enhance circulation efficiency in the area.

Commissioner Lyle questioned under an RPD how much the R1 standards could be relaxed? "If there is a flaw in the in project, no points should be awarded," he said.

Discussion ensued regarding variation of side yard (sizes). Staff was directed to review the issue.

Outcome of scoring for this application: Add ½ point for schools and 1 point for open space. Staff will review lot layout, item B36, variation is side yard setbacks.

MP-02-12: PEET-LUPINE INVESTORS: A request for Measure P building allocations for Fiscal Year 2004-05. The project consists of 39 single family dwelling units a 16.23 acre portion of a 49.13 acre site. The project will be located at the southeasterly corner of Cochrane Road and Peet Avenue.

Staff: Add 1 point for <u>orderly and contiguous</u> (continuation of storm drains); add 2 points <u>public facilities</u>. Staff will review <u>schools</u> category in view of letter of intent from MHUSD.

Chair Acevedo opened the public hearing.

Chris Borello, 16700 Spring Hill Ct., speaking for the Borello family, addressed the Commissioners as the applicant. He said he wished to highlight that the family is donating 10-acres for a new school sight, and four-acres for a park site. Both of these donations, Mr. Borello said, meets and exceeds the requirements of Measure P. He went on to question the points given in the <u>orderly and contiguous</u> category, noting that only 12 points had been awarded.

Richard Oliver, 275 Saratoga Ave, #105, Santa Clara, reminded Commissioners that this project has been submitted under the Measure P application process three times. He noted that the school site has been donated with no contingencies. Mr. Oliver said this project was in keeping with the current General Plan, which indicated that there should be a school and a park in this setting. Mr. Oliver explained that there would be a pathway to the school and asked for additional points for that feature. In addition, he described the adjacency to the school [which is planned for the near center of the development] asking that an additional point be given for that aspect.

With no others to speak to the matter, the public hearing was closed.

AP Tolentino spoke on the difficulty of giving the correct number of points for this project in the area of schools because of the inconsistency in the data regarding the time of certainty for receipt of the letter of agreement from the MHUSD.

Commissioner Mueller said that if the property owner is giving 10 acres for a school site, and the District is accepting it with a plan to actually building a new school, that is BIG as he noted this had not occurred in ten years. Commissioner Mueller continued by saying that if the <u>public facility</u> is used for a school (thereby incurring public benefit) it may be necessary to clarify and coordinate the rules to ensure further dedication of land

for schools.

Commissioner Lyle asked about Fire Department response time to the project. AP Tolentino said that two fire stations had been contacted regarding the matter and both had indicated that the response time is within the limits set.

Commissioners recommended point changes as follows:

- + 2 schools [staff was directed to further peruse the safe walking route requirement]
- + 2 public facilities
- + 2 orderly and contiguous
- **k.** MP-02-13: E. MAIN-MARRAD: A request for Measure P building allocations for Fiscal Year 2004-05. The project consists of 34 single family dwelling units on 6.55 acres on the south side of East Main Avenue opposite El Toro Elementary School.

Staff: Add 1-point to the <u>open space</u> category; delete 1-point from the <u>public facilities</u> category.

Chair Acevedo opened the public hearing.

Dan Gluhaich, 1550 Sterling Cars Ct., the applicant, asked an additional point for circulation efficiency, explaining the placement of landscaping walls with an inset logo, similar he said, to other approved projects which had received the points.

Bill McClintock explained that the <u>public faculties</u> amenities included provision for detention of run-off. He also spoke of the in-place landscape/lighting maintenance assessment district, and explained plans for detention in the area. Because the applicant is proposing a coordinated development plan, an additional 2 points is asked. Regarding <u>public facilities</u>, Mr. McClintock said the applicant is proposing a significant amount of improvements, noting that deferred improvement agreements are already in place. Further, he said, the existing 3-feet buffer zone now existing north of Main Street will be expanded to 44-feet; that should be worth 4.5 points, he said. Turing to <u>circulation efficiency</u> Mr. McClintock called attention to the 80-feet of frontage which is to be dedicated to the City and will complete one side of East Main Ave.

Vince Burgos spoke on the setbacks, lot sizes [which he said is in conformity with the zoning of the area] and the consistency with the General Plan and City ordinances.

Commissioner Engles asked questions related to the size of the lots for market-rate homes. Mr. Burgos responded that the requirements of Measure P set the lot sizes, spacing of lots, and lot layouts. He continued by calling attention to the 'entry statement' (landscaped wall), which he described as being different from the typical, providing a full description of the design.

With no others to address the matter, the public hearing was closed.

Chair Acevedo asked for details of the staff regarding why the point was taken away from the <u>public facility</u> category, the 'rounding' rule, and the cost per lot for public facilities. PM Rowe responded.

Commissioner Lyle turned to <u>housing needs</u>, noting the applicant says there will be an increase above ten-per cent in the attached project above the BMRs, but said this is not indicated in the records provided. He reminded that in housing types rounding is not permitted, and the three attached units, when BMRs are subtracted out, do not provide the ability to meet the minimum requirements.

Discussion followed regarding the potential for an additional point for the landscaped entry. SE Creer was asked to comment. He read from the requirements, saying that as presented, this is not consistent nor in agreement with the requirements of Measure P.

Commissioner Benich said the entry was nice and deserved one point.

SE Creer reminded that staff strives for consistency, and cannot be subjective. "Some projects you just can't make work," he said.

Informally polling the Commissioners produced the result that Commissioners Weston, Engles, Benich, and Acevedo favored giving the applicant one point for the entry in the Circulation Efficiency category.

Commissioner Mueller questioned the statement made by Mr. McClintock regarding the adjacency of a site for the detention pond. SE Creer noted that there was no letter of agreement on file. Mr. McClintock said that the public storm drainage easement exists in the adjacent park. "We don't have to have detention in this location, it will be provided through joining the two parks. There is a right to use the public detention facilities," he said.

SE Creer indicated that such action [drainage onto a public park] would most likely receive a challenge.

I. MP-02-14: COCHRANE-COYOTE ESTATES: A request for Measure P building allocations for Fiscal Year 2004-05. The project consists of 54 single family dwelling units on a 15.96 acre portion of a 53.88 acre site on Peet Road, north of Cochrane Road. The project at build out will consist of 208 dwelling units.

Staff: Adjustments of +1 point for orderly and contiguous; +1 point for lot layout; still in question: school site and open space [includes pathway to Malaguerra Winery (historic site) and placement of plaque at the site.

Chair Acevedo opened the public hearing.

Dick Oliver, the applicant, said there are no existing sidewalks, but the proposal in this project is for that construction. He indicated that neighboring parcels have declared intent to join that effort, thus a safe walking route to the school will be created. Regarding the safe school route, he noted that Cochrane above North Peet is not a connector road, asking staff to verify that the route he indicated is within the ¾-mile requirement. Commenting on the historical site, he said planning for the plaque had probably cost 50 times the amount of actual purchase and placement. Continuing, Mr. Oliver asked that the staff and Commissioners revisit the loss of the point caused by the delay in the EIR which had previously been discussed with the Commissioners in a prior

meeting. Mr. Oliver expressed a belief that the penalization because of Planning Staff delays should be reconsidered. Regarding the bus stop, Mr. Oliver said he had measured carefully and the stop is 'just under 1/4-mile, which is the minimum requirement of Measure P.

Chair Acevedo asked about the planned route to the Malaguerra Winery site. Mr. Oliver explained that the commitment was made to complete a path to the ruins, including placement of an asphalt path on a portion of the route.

Regarding the request for one-point in the <u>open space</u> category, SE Creer said he will reexamine the matter in view of the information presented.

PM Rowe said the issues involved in the <u>schools</u> category which the applicant has raised would be reviewed as well

Turning to the request for leniency of 1-point for the delay in the EIR, Commissioners agreed the issue will be reviewed at the sub-committee level for future application cycles, but polling of the Commissioners indicated that a 'no leniency' stance was in place with the support of Commissioners Weston, Lyle, Engles and Acevedo. Commissioner Benich favored leniency, while Commissioner Mueller proclaimed he was 'on the fence, but leaning toward a yes vote'.

Chair Acevedo was excused at 12:07a.m., whereupon Vice-Chair Meuller assumed the gavel.

c. <u>MP-02-05</u>: <u>WATSONVILLE-DAY</u>: A request for Measure P building allocations for Fiscal Year 2004-05. The project consists of 11 single family dwelling units on 1.91 acres on the south side of Watsonville Road, opposite La Alameda Drive.

Staff adjustments: Minus three points in the <u>public facilities</u> category [will be reexamined]; +1 point in the lot layout classification.

Vice Chair Mueller opened the public hearing.

Bill Day (no address given) said he is the applicant. He told Commissioners that when told of concerns as to ownership of the properties to the East and their commitment to offsite improvement agreements, a letter was obtained to clear up the matter, with the letter being provided to staff and the Commissioners.

Vince Burgos said that Stuart Fahmy had the adjoining property under contract when contact was made with him, indicating that Mr. Fahmy said he had the legal right to make commitments concerning that property. There are two properties to the south also owned by Mr. Fahmy; he has provided a letter of agreement, but no contract exists, Mr. Burgos said.

SE Creer explained the requirements for agreements for improvement.

Bill McClintock talked about the proposed offsite storm water detention facilities. He indicated that the property line adjoins the right-of-way causing the proposed retention pond to be located offsite. Mr. McClintock assured that the owners have permission to

locate the pond on the adjoining property.

Commissioner Benich asked for clarification of the landscape buffer. Mr. Burgos explained that the landscape buffer will be located along the property line, and may include a sound wall of some type along Watsonville Road. Responding to further questions, Mr. Burgos said the Homeowners Association would maintain the landscaping at the front of the project.

With no others to speak to the matter, the public hearing was closed.

SE Creer explained how the intersections must be aligned. He told Commissioners that some questions remain regarding the agreement to having the detention pond on the neighboring property.

Commissioner Lyle said that the street stubs are not meaningful relating to circulation. SE Creer agreed, saying the stubs will benefit only the project itself.

Vice Chair Mueller said that the problem with the area for years has been that there is no plan to develop the total area, that the development is occurring 'piecemeal' and that is the wrong way to accomplish good development.

Commissioners Lyle and Mueller led discussion on the street stubs with the outcome being agreement of the addition of 2 points for the street stubs [there are two street stubs]. Commissioner Mueller expressed reservation, however, saying that he didn't think the street will be built for a loop circulation effect.

SE Creer agreed that may be the case and, following further discussion, agreed that the looping pattern is not best for road circulation. He said that the <u>public facilities</u> category would be reviewed for possible revision of points.

In total, Commissioners agreed that 1-point would be added to <u>lot layout</u> and 2-points to circulation efficiency.

h. MP-02-10: COCHRANE-BORELLO: A request for Measure P building allocations for Fiscal Year 2004-05. The project consists of 15 single family dwelling units on 10.85 acres between St Marks Drive and Cochrane Road, north of St. Katherine's Drive.

Staff adjustments: the <u>schools</u> category will be reviewed regarding pathway placement; and recommend one point be added to Orderly and Contiguous for 11 points total.

Vice-Chair Mueller opened the public hearing.

Stanley Borello, 16700 Spring Hill Ct., spoke as the applicant. He said that this is the only small project that conforms to the Morgan Hill small projects requirements. Regarding <u>lot layout</u>, Mr. Borello said that this project provides more <u>open space</u> than is required, coupling that with a 100-foot setback from adjacent property. He cited increased <u>circulation efficiency</u> and asked for an additional two-points in <u>natural and environmental</u>, indicating that the existing trees can be saved for landscaping. Mr. Borello called particular attention to the existing oak trees on the property.

Bill McClintock spoke of the increased <u>circulation efficiency</u> achieved by placing the stub streets off-site. He indicated the project is proposing future street extensions in this manner, saying that's what they are designed to do. Eliminating substandard stubs or street conditions caused the redesign of the plans to achieve the presentation now, Mr. McClintock said as he explained the redesign.

Vince Burgos spoke with the Commissioners regarding the <u>orderly and contiguous</u> category, noting that the adjoining property has such an odd shape [flat triangle] that it would be difficult to develop. AP Tolentino disagreed, saying that in spite of the odd shape, the property is developable. In fact, she said, it has an existing structure [which the applicant described as an 'old house']. Further, the owner has said that the house and barn (horse enclosure) meets code compliance. If the Commissioners wish to give 1-point in this category, staff will review for appropriateness.

With no others to speak to the matter, the public hearing was closed.

Considerable discussion ensued regarding <u>circulation</u> and <u>rural street standards</u>. Commissioners said it is important to eliminate the long dead-end street. The applicant said the road would be built to higher standards. Extension of St. Catherine's Drive, the Lupine connection/extension to Peet Road was deliberated.

Discussion then turned to the Water District and how roads are built over the District's easements. Mr. Oliver spoke from the audience, indicating the recent experiences he had with the Water District regarding obtaining title to the dedicated property easements.

By consensus, Commissioners decided to give a point in the <u>circulation</u> category, while expressing concern that it may not be 'backed up'.

Regarding the 'short blocks', SE Creer provided an example of where blocks of less than 260-feet are located in the City.

Responding to the applicant's quest for additional points, the Commissioners allowed 1-point for providing stub street for future use.

Commissioner Mueller again indicated his concern regarding piecemeal development of the area, saying that an RPD overlay would be proper. Without that RPD overlay, he said, gaining good control would be difficult.

For the <u>natural and environmental</u> category, Commissioners questioned the amount of fill to be added. PM Rowe indicated there has been a problem in obtaining information about the grading, describing the data submitted as 'sketchy'.

Reviewing, Commissioners said that the project had been given points for preserving the oak trees, asked for a review of the pathway in proximity to the school, and had awarded 1-point in the orderly and contiguous category.

The applicant was directed to meet with Assistant Planner, Scott Plambaeck, in the Planning Department to clarify the grading issues. SE Creer will review the <u>circulation</u>

category issues.

ANNOUNCEMENTS: The remainder of the applications will be heard on March 18, beginning at 7:00 p.m. in The Villas Conference Room.

ADJOURNMENT: There being no further business, Vice Chair Mueller adjourned the meeting at 12:57 p.m.

MINUTES RECORDED AND PREPARED BY:

JUDI H. JOHNSON, Minutes Clerk